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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE
Michigan Employment Security Commission

UNEMPLOYMENT RATE UNCHANGED IN DECEMBER

The Michigan unemployment rate remained unchanged in the month of December, as the jobless rate steadied for the third month at 7.2 percent. The unemployment rate, although unchanged represented an increase of 1,000 individuals out of work, as total local residents seeking employment increased to 327,000. The advance in joblessness was primarily a result of seasonal reduction of employment in the manufacturing sector. Total employment in December registered an increase as the number of employed area residents climbed by 19,000 to reach 4,237,000. Additionally, the civilian labor force advanced to 4,565,000, a gain of 20,000. Compared with a year ago, employment in Michigan has dropped by 77,000, while the size of the labor force has contracted by 82,000. In December 1989, the total number of persons out of work amounted to 333,000, representing an unemployment rate of 7.2 percent.

JOB LEVEL REBOUNDS

Total nonagricultural wage and salary employment in Michigan advanced as industry jobs increased to 3,922,000 in December. Employment opportunities expanded by approximately 23,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries climbed by 10,000 primarily as a result of recalls in the transportation equipment sector. Service producing employment accelerated by 13,000 to 2,868,000 in December, as the retail trade industry expanded, in preparation for the holiday season. Public sector positions declined by 5,000 as state government took most of the loss. Since December 1989, industry employment in Michigan has decreased by 35,000 positions or nine-tenths of one percent. Approximately 54,000 goods producing jobs have been lost throughout the year, while service producing employment advanced by 19,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	DEC 1990	NOV 1990	OCT 1990	DEC 1989
PLACE OF RESIDENCE *				
Civilian Labor Force	4565	4545	4563	4647
Employment	4237	4218	4236	4314
Unemployment	327	326	327	333
Rate	7.2	7.2	7.2	7.2
PLACE OF WORK *				
Wage and Salary Employment	3922	3899	3943	3957
Goods Producing Industries	1054	1044	1088	1108
Construction	127	135	143	138
Manufacturing	917	901	936	960
Durable Goods	687	670	698	723
Lumber and Wood Products	15	15	16	15
Furniture and Fixtures	36	36	36	36
Stone, Clay and Glass	18	18	18	17
Primary Metals	41	41	43	44
Fabricated Metals	119	118	122	125
Industrial Machinery	119	119	121	125
Electrical Machinery	31	32	32	32
Transportation Equipment	283	265	284	302
Motor Vehicles and Equipment	265	247	266	283
Nondurable Goods	230	231	238	238
Food and Kindred Products	46	46	49	46
Textiles and Apparel	19	19	21	21
Paper and Allied Products	20	20	20	21
Printing and Publishing	45	46	45	46
Chemicals and Allied Products	46	45	45	45
Rubber and Misc. Plastics	48	49	52	53
Service Producing Industries	2868	2855	2856	2849
Trans., Comm. and Utilities	152	152	154	153
Wholesale Trade	199	198	199	203
Durable Goods	126	126	126	131
Nondurable Goods	73	73	74	72
Retail Trade	751	736	729	749
General Merchandise Stores	120	115	108	124
Food Stores	105	103	103	102
Auto. Dealers and Serv. Stns.	78	78	78	79
Apparel and Access. Stores	44	41	40	46
Eating and Drinking Places	255	254	258	248
Finance, Insurance and Real Estate	193	192	193	190
Services	922	920	930	905
Hotels and Lodging Places	33	31	34	31
Personal Services	40	39	39	39
Business Services	175	174	178	176
Health Services	299	297	296	290
Social Services	63	63	62	60
Government	652	657	651	650
Federal	63	61	61	63
State	173	177	176	170
Local	417	419	414	417
Labor Disputes	0	0	0	0

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1989 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1989 Benchmark.
Suppressed data included in: X=Totals, A=Other Durable Goods, B=Other Nondurable Goods.
Due to the suppression of data, the industry estimates do not sum to the total wage and salary estimate.
*** DATA IS IN THOUSANDS**

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the fourth consecutive month in December. The regular benefits claims load averaged 145,691 per week during the month, approximately 42,748 more than the November total.

The 41.5 percent increase was primarily due to production-related cutbacks in the automotive industry. In December 1989, the number of claimants drawing benefits under the regular benefit program averaged 120,102.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
December 01, 1990	182,900	38,400	144,500	71,100	16,000	55,100
December 08, 1990	187,200	41,400	145,800	72,500	15,300	57,200
December 15, 1990	193,600	46,900	146,700	69,400	16,900	52,500
December 22, 1990	290,900	74,600	216,300	111,700	28,800	82,900
December 29, 1990	250,500	55,100	195,400	85,100	18,900	66,200

DETROIT AREA COST OF LIVING MOVES DOWNWARD

Consumer prices in the Detroit metropolitan area decreased from 131.8 in November to 131.2 in December. The decrease in Detroit area prices was primarily due to lower costs for housing and apparel and upkeep. Prices in the area climbed by 5.5 percent since December 1989, when the consumer price index stood at 124.4. At the national level, the cost of living remained unchanged and stood at 133.8 during the month.

The national prices showed some higher costs for transportation and medical care but lower costs for apparel and upkeep. Between December 1989 and December 1990, national consumer prices increased by 5.4 percent. One year ago, the national index registered 126.1. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries increased to 41.6 hours in December. The increase occurred primarily as a result of additional hours worked by individuals in the industrial machinery industry.

During the month average hourly earnings increased by 23 cents to $14.20, while average weekly earnings increased by $27.73 to total $590.72. In December 1989, earnings averaged $13.63 an hour or $584.73 per week for a 42.9 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Dec 1990	Nov 1990	Dec 1989	Dec 1990	Nov 1990	Dec 1989	Dec 1990	Nov 1990	Dec 1989
TOTAL MANUFACTURING	$590.72	$562.99	$584.73	41.6	40.3	42.9	$14.20	$13.97	$13.63
DURABLE GOODS	626.40	591.74	618.05	41.9	40.2	43.1	14.95	14.72	14.34
Primary Metal Products	608.61	602.11	604.03	41.8	41.1	42.9	14.56	14.65	14.08
Fabricated Metal Products	583.90	556.88	574.74	41.5	40.5	42.7	14.07	13.75	13.46
Industrial Machinery	617.98	566.77	602.11	44.3	41.1	44.9	13.95	13.79	13.41
Electrical Machinery	468.75	491.97	465.75	41.3	41.1	41.4	11.35	11.97	11.25
Motor Vehicles & Equip.	745.31	706.65	737.37	41.2	39.5	43.4	18.09	17.89	16.99
NONDURABLE GOODS	481.44	474.30	479.26	40.8	40.4	42.3	11.80	11.74	11.33
Construction	616.77	589.26	605.08	38.5	36.6	37.7	16.02	16.10	16.05
Department Stores	202.63	188.65	207.39	28.3	27.5	31.0	7.16	6.86	6.69

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
DECEMBER 1990 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	124,630,000	117,287,000	7,343,000	5.9
Michigan	4,565,000	4,237,000	327,000	7.2
Major Labor Markets				
Ann Arbor MSA	166,200	160,100	6,200	3.7
Battle Creek MSA	65,300	61,100	4,300	6.5
Benton Harbor MSA	76,700	71,700	5,000	6.6
Detroit MSA	2,156,000	2,003,000	153,000	7.1
Flint MSA	179,700	164,600	15,100	8.4
Grand Rapids MSA	373,100	351,100	22,000	5.9
Jackson MSA	64,900	59,900	5,100	7.8
Kalamazoo MSA	119,100	113,500	5,500	4.6
Lansing MSA	238,800	224,200	14,600	6.1
Muskegon MSA	66,500	60,600	5,900	8.8
Saginaw-Bay-Midland MSA	186,700	174,700	12,000	6.4
Upper Peninsula LMA	137,100	124,400	12,700	9.3
Major Counties (18,000+)				
Allegan	57,800	54,725	3,100	5.3
Barry	22,650	21,025	1,600	7.1
Bay	53,675	50,075	3,600	6.7
Cass	23,975	22,025	1,950	8.1
Clinton	30,675	28,625	2,050	6.7
Eaton	52,975	49,775	3,225	6.1
Grand Traverse	35,700	33,325	2,400	6.7
Gratiot	20,250	18,525	1,725	8.5
Hillsdale	20,050	18,400	1,650	8.2
Ingham	155,125	145,775	9,350	6.0
Ionia	19,900	17,500	2,400	12.1
Isabella	33,225	31,725	1,500	4.5
Kent	272,275	255,900	16,375	6.0
Lapeer	34,325	31,025	3,300	9.6
Lenawee	43,575	40,000	3,575	8.2
Livingston	56,100	52,575	3,525	6.3
Macomb	374,150	349,825	24,325	6.5
Marquette	28,850	27,575	2,275	7.6
Midland	36,400	34,575	1,825	5.0
Monroe	66,250	59,550	6,700	10.1
Montcalm	23,075	20,100	2,975	12.9
Oakland	576,300	547,875	28,400	4.9
Ottawa	100,875	95,225	5,650	5.6
Saginaw	96,650	90,050	6,600	6.8
St. Clair	67,675	61,250	6,450	9.5
St. Joseph	26,650	23,925	2,725	10.2
Sanilac	20,075	18,000	2,075	10.3
Shiawassee	34,300	31,325	2,975	8.7
Tuscola	34,125	30,750	3,375	9.9
Van Buren	33,150	30,350	2,800	8.4
Wayne	981,100	900,575	80,525	8.2

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